

108TH CONGRESS  
1ST SESSION

# H. R. 1405

To disqualify certain persons from receiving Federal funds.

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IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2003

Mr. PAUL introduced the following bill; which was referred to the Committee  
on Government Reform

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## A BILL

To disqualify certain persons from receiving Federal funds.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Truth in Financing  
5       Act”.

6       **SEC. 2. DISQUALIFICATION FOR FEDERAL FUNDING.**

7       Notwithstanding any other provision of law, any re-  
8       cipient of Federal funds shall be disqualified for Federal  
9       funding of any type if, at a time when the recipient is  
10      receiving Federal funds for any of the recipient’s activi-  
11      ties, the recipient is found by any Federal agency or Fed-  
12      eral or State court to have—

1           (1) made a false statement on an application  
2           for Federal funds;

3           (2) violated any Federal law or regulation or  
4           State or local law punishable by imprisonment for at  
5           least 6 months or a fine of at least \$5,000; and

6           (3) aided or abetted the violation of any law or  
7           regulation described in paragraph (2).

8   **SEC. 3. CAUSE OF ACTION.**

9           Notwithstanding any other provision of law, or any  
10          judicial decision relating to issues of standing, any citizen  
11          of the United States may bring a private cause of action  
12          against any organization receiving Federal funds for vio-  
13          lating the prohibition of section 2.

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